STATE OF ALASKA

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

| In the Matter of: |) | |
|-------------------------------|---|--------------------------|
| |) | |
| PREMERA BLUE CROSS CONVERSION |) | |
| |) | |
| R 03-07 |) | |
| |) | Order No. 20 - Regarding |
| |) | Non-Resident Attorneys |
| |) | Participating at Hearing |

On May 25, 2004, the division filed a Motion for Non-Resident Attorneys to Participate in Hearing. Attached to this motion were the affidavits of Ellen M.Dunn and Kelly H. Tsai, attorneys with the law firm LeBoeuf, Lamb, Greene, & MacRae, L.L.P. (LeBoeuf). LeBoeuf was retained by the Alaska Division of Insurance to give legal advice regarding the proposed conversion of Premera Blue Cross. Ms. Dunn and Ms. Tsai have been requested to represent the division at hearing in this matter. Because the issue presented by this motion is straightforward, I do not believe it is necessary to entertain oppositions to the motion.

Under AS 21.06.210, a party to a hearing may appear in person and by counsel. The statute does not place restriction on whether counsel should be a resident or non-resident licensed attorney. To that extent, there is nothing in the insurance code that would preclude Ms. Dunn and Ms. Tsai from representing the division at hearing in this matter. However, I do not have jurisdiction over the practice of law in this state. The Alaska Bar Association and the Alaska Supreme Court have such jurisdiction. Accordingly, I do not decide whether Ms. Dunn and Ms. Tsai may appear on behalf of the division under other state laws or Alaska Bar Rules that may be applicable to a non-resident attorney.

THEREFORE, IT IS HEREBY ORDERED:

- 1. AS 21.06.210 does not preclude a party from appearing at hearing through non-resident counsel. To that extent, Ms Dunn and Ms. Tsai may appear and participate at hearing with Nick Atwood on behalf of the division.
- 2. The director for the division of insurance does not have jurisdiction to decide whether a non-resident attorney appearing on behalf of a party to an administrative hearing in this state, may do so under other laws or Alaska Bar Rules that may be applicable to such attorneys.

| 3. | This ruling also applies to Premera Blue Cross if it chooses to appear at hearing |
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| through non-re | esident counsel in association with local counsel. |

Dated: May 26, 2004

Linda S. Hall Director

Juda S. Hall